

The City Council met in regular session at the hour of 8:34 a.m. in the Council Chamber, City Hall, on the day above written.

Present:	Brian Calhoun	Councilmember
	Brad Castillo	Acting Council President
	Mike Dages	Councilmember
	Jerry Duncan	Councilmember
	Henry Perea	Councilmember
	Cynthia Sterling	Councilmember
	Tom Boyajian	Council President

Dan Hobbs, City Manager
Andy Souza, Assistant City Manager
Hilda Cantu Montoy, City Attorney
Becky Klisch, City Clerk
Yolanda Salazar, Assistant City Clerk

Reverend Bob Small, Chaplain, Fresno Chapter of the Association of the U.S. Army (AUSA) gave the invocation, and Edward Stacey led the Pledge of Allegiance to the Flag.

RESOLUTION OF COMMENDATION TO SCOTT VINCENT - COUNCILMEMBER CALHOUN

(ADD-ON) CERTIFICATE OF APPRECIATION TO KAY JACKSON - COUNCILMEMBER CASTILLO

RESOLUTION OF COMMENDATION TO THE FINANCE DEPARTMENT'S CAFR STAFF RECOGNIZING THE CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING FROM THE GOVERNMENT FINANCE OFFICERS' ASSOCIATION

PROCLAMATION OF "VICTOR'S PIZZERIA AND BISTRO DAY" - PRESIDENT BOYAJIAN

INTRODUCTION OF PAT FILIPPONE, PRESIDENT OF THE FRESNO GRIZZLIES - PRESIDENT BOYAJIAN

The above resolutions and proclamations were read and presented and introductions were made.

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APPROVE MINUTES:

On motion of Councilmember Dages, seconded by Councilmember Sterling, duly carried, RESOLVED, the minutes of November 4, 2003, approved, *as amended*, as follows: Page 142-169, Agency Item "A", 2nd paragraph, third sentence, correcting the underlined italicized wording to read: "...and making that a substantial portion of the task force work program.", and not "...the R/I work program."

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COUNCIL MEMBER REPORTS AND COMMENTS:

INVITATION TO CONEY ISLAND'S 80TH ANNIVERSARY CELEBRATION ALL DAY ON SATURDAY, NOVEMBER 22, 2003 - COUNCILMEMBER STERLING

Invitation extended.

POTENTIAL LOSS OF \$25.5 MILLION TO THE CITY'S GENERAL FUND DUE TO GOVERNOR SCHWARZENEGGER'S FIRST EXECUTIVE ORDER RELATIVE TO VEHICLE LICENSE FEES (VLFs) - COUNCILMEMBER PEREA

Councilmember Perea stated Council needed to start considering what cuts may have to be made **(2 - 0)** noting some other smaller cities have already taken this action, and stated he wanted to talk with the Council President at a later time about placing the matter on the agenda or moving the issue forward. City Manager Hobbs stated a general fund reserve and updated contingency plans were in place but clarified a critical component was to see if the Governor was going to maintain his commitment to backfill the take-away from the vehicle license fees.

COMMENDATION TO CABLE CHANNEL 14 FOR RECOGNIZING AND TELEVISIONING THE VETERAN'S DAY PARADE - COUNCILMEMBER CALHOUN

Commendation made.

ANNOUNCEMENT OF GRAND OPENING OF THE 99 CENT ONLY STORE ON THURSDAY, NOVEMBER 20, 2003, AT 7:30 A.M., IN THE OLD K-MART BUILDING ON KINGS CANYON AND CHESTNUT AVENUES - COUNCILMEMBER DAGES

Announcement made.

VEHICLE LICENSE FEES (VLF) - COUNCILMEMBER DUNCAN

Councilmember Duncan advised Governor Schwarzenegger has consistently and publicly indicated he has no intention of the revenues being taken "on the backs" of local governments, stated discussion was a good idea but cautioned about overacting until the direction the Governor takes is known, and urged every citizen to immediately contact the local delegation at the state level and tell them we, as a city, will not accept taking the burden of any cuts and request they not try to take the VLF backfill from local governments.

COMMENDATION TO FRESNO HIGH, THE CITY COUNCIL AND STAFF FOR THEIR PARTICIPATION IN THE UPCOMING ANNUAL FRESNO HIGH SCHOOL ALUMNI BASKETBALL GAME - PRESIDENT BOYAJIAN

Commendation made.

A visiting Civics class from Fresno Christian School was recognized and welcomed.

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APPROVE AGENDA:

(1-BB) APPROVE THE NEGOTIATED AGREEMENT BETWEEN THE CITY OF FRESNO AND SMG FOR THE OPERATION AND MARKETING OF THE CONVENTION CENTER FACILITIES

Assistant City Manager Souza advised staff would be pulling the item from the consent calendar for discussion as some final points needed to be clarified.

(1-C) RESOLUTION - FINDING HUBB SYSTEMS, LLC (AKA Data911) TO BE THE SOLE SOURCE FOR MOBILE DATA SYSTEM (MDS) HARDWARE UPGRADE, APPROVE AND AUTHORIZE THE CHIEF OF POLICE TO EXECUTE THE EIGHTH AMENDMENT TO CONTRACT FOR UPGRADE OF ORIGINAL MDS HARDWARE, UPGRADE OF SOFTWARE "PER SEAT" LICENSING STATUS TO "SITE LICENSE" STATUS, EXTENSION OF SOFTWARE DEVELOPMENT SCHEDULE, INTERIM MDS HARDWARE MAINTENANCE, AND THE ENTRY INTO A SOFTWARE ENHANCEMENT SERVICE AND HARDWARE EXTENDED WARRANTY AGREEMENT

Removed from the agenda at the request of staff.

On motion of Councilmember Dages, seconded by Acting President Castillo, duly carried, RESOLVED, the **AGENDA** hereby approved, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

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ADOPT CONSENT CALENDAR:

Gloria Torrez requested all consent items be pulled for a separate hearing, discussion and vote; requested the Mayor veto Items 1-D, 1-W and 1-AA stating every single penny of the funds should go to FAX for needed improvements and better transportation, and stated her opposition to natural gas buses and elaborated throughout.

Barbara Hunt, 2475 S. Walnut, spoke to the ability of citizens, both city and non-city residents, to speak on any item, in opposition to approving items without any discussion, and expressed various concerns with Items 1-D, -Y, 1-AA, 1-BB and 1-CC.

(1-A) RESOLUTION NO. 2003-351 - 50TH AMENDMENT TO AAR 2003-209 APPROPRIATING \$30,000 OF PROCEEDS FROM THE INTERIM LEASE FINANCING FOR DOWNTOWN PARKING EXPENDITURES TO PAY THE COSTS OF SUCH FINANCING

(1-B) RESOLUTION NO. 2003-352 - AUTHORIZING APPLICATION FOR AND ACCEPTANCE OF FISCAL YEAR 2004 GRANT FUNDS FROM THE STATE OF CALIFORNIA OFFICE OF TRAFFIC SAFETY FOR THE POLICE DEPARTMENT'S SOBRIETY CHECKPOINT PROGRAM

1. RESOLUTION NO. 2003-353 - 44TH AMENDMENT AAR 2003-209 APPROPRIATING \$197,700 TO THE POLICE DEPARTMENT FOR THE SOBRIETY CHECKPOINT PROGRAM

(1-D) APPROVE SUBMISSION OF THE ANNUAL TRANSPORTATION FUNDING CLAIM FOR FRESNO'S LOCAL TRANSPORTATION FUNDING (LTF) AND STATE TRANSIT ASSISTANCE (STA) ENTITLEMENT IN THE AMOUNT OF \$16,368,789 (PLUS ANY ADDITIONAL FUNDS MADE AVAILABLE DURING FY 2004); AND AUTHORIZE THE TRANSIT GENERAL MANAGER TO EXECUTE ALL CLAIM DOCUMENTS ON BEHALF OF THE CITY

(1-E) RESOLUTION NO. 2003-354 - APPROVING THE FINAL MAP OF TRACT NO. 4831 AND ACCEPTING DEDICATED PUBLIC USES THEREIN, NORTH SIDE OF W. SPRUCE AVENUE AND ADJACENT TO AND WEST OF THE BURLINGTON NORTHERN AND SANTA FE RAILROAD (COUNCIL DISTRICT 2)

1. AUTHORIZE THE PUBLIC WORKS DIRECTOR TO EXECUTE THE SUBDIVISION AGREEMENT AND THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT FOR LANDSCAPE MAINTENANCE

2. AUTHORIZE THE PLANNING AND DEVELOPMENT DIRECTOR TO EXECUTE THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT DEFERRING CERTAIN SEWER CONNECTION CHARGES, WATER CONNECTION CHARGES, URBAN GROWTH MANAGEMENT FEES AND DEVELOPMENT FEES TO THE TIME OF ISSUANCE OF CERTIFICATE OF OCCUPANCY AND CREATION OF LIEN, THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT FOR PLANTING AND MAINTAINING FRONT YARD TREES, AND THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT TO RESTRICT SINGLE STORY HOMES ON CERTAIN LOTS

(1-F) CONSIDER ALIGNMENT AND WIDTH OF PROPOSED PUBLIC STREET FOR A 28-LOT PARCEL MAP INDUSTRIAL PROJECT LOCATED ON THE SOUTH SIDE OF E. CARMEN AVENUE BETWEEN N. MAPLE AND N. CHESTNUT AVENUES

1. APPROVE THE FINDING OF CONFORMITY TO THE 2025 FRESNO GENERAL PLAN MASTER ENVIRONMENTAL IMPACT REPORT (MEIR NO. 10130) PREPARED FOR ENVIRONMENTAL ASSESSMENT NO. TPM-2003-14, DATED AUGUST 5, 2003

2. RESOLUTION NO. 2003-355 - APPROVING THE STREET ALIGNMENT AND WIDTH OF A PUBLIC STREET AS RELATED TO PROPOSED TENTATIVE PARCEL MAP MO. 2003-14 (AS SHOWN ON EXHIBIT "A" DATED JULY 15, 2003, ATTACHED TO THE STAFF REPORT)

(1-G) ITEM REMOVED FROM THE AGENDA

(1-H) REJECT ALL BIDS RECEIVED FOR WHITESBRIDGE TRUNK SEWER CONNECTIONS AT MARKS AND WEST AVENUES BECAUSE THEY SUBSTANTIALLY EXCEED THE FUNDS AVAILABLE, AND DIRECT STAFF TO REVISE THE SPECIFICATIONS AND REBID THE PROJECT

(1-I) AWARD A CONTRACT TO THYSSEN KRUPP ELEVATOR CORP. OF FRESNO IN THE AMOUNT OF \$45,300 TO UPGRADE AND MODERNIZE TWO HYDRAULIC TYPE ELEVATORS AT GARAGE NO. 9 LOCATED AT THE SOUTHERN CORNER OF MERCED AND VAN NESS AVENUE

(1-J) AWARD A CONTRACT TO STEVE DOVALI CONSTRUCTION OF FRESNO IN THE AMOUNT OF \$71,330 FOR INSTALLATION OF AN 8" SEWER MAIN AT GOLDEN STATE BOULEVARD SOUTH OF ASHLAN AVENUE

(1-K) AWARD A ONE-YEAR REQUIREMENTS CONTRACT, WITH PROVISIONS FOR TWO ONE-YEAR EXTENSIONS, TO BMW OF FRESNO IN THE AMOUNT OF \$109,514.70 FOR DUAL PURPOSE MOTORCYCLES FOR THE POLICE DEPARTMENT

(1-M) REJECT ALL BDS FOR FRESNO YOSEMITE INTERNATIONAL AIRPORT AIR CARGO PARK AIRSIDE DEVELOPMENT

Upon question of Councilmember Calhoun, Assistant City Manager Souza confirmed staff understood his prior request was to provide Council with information relative to what was happening with air cargo before voting, noted this item was more technical to the bid process, and advised staff was working on scheduling a workshop on air cargo including what exactly was happening and what the short and long term plans were.

(1-0) APPROVE A ONE-YEAR EXTENSION OF THE RESOURCE DEVELOPMENT SERVICES AGREEMENT WITH THE UNITED WAY OF FRESNO COUNTY (UWFC) TO PROVIDE GRANT WRITING SERVICES TO NON-PROFIT ORGANIZATIONS

(1-P) RESOLUTION NO. 2003-356 - AUTHORIZING SUBMITTAL OF AN APPLICATION FOR AND ACCEPTANCE OF BLOCK GRANT FUNDS FROM THE PER CAPITA GRANT PROGRAM UNDER THE CALIFORNIA CLEAN WATER, CLEAN AIR, SAFE NEIGHBORHOOD PARKS AND COASTAL PROTECTION BOND ACT OF 2002 (PROP 40)

1. RESOLUTION NO. 2003-357 - AUTHORIZING THE SUBMITTAL OF AN APPLICATION FOR AND ACCEPTANCE OF GRANT FUNDS FROM THE ROBERTI-Z'BERG-HARRIS URBAN OPEN SPACE AND RECREATION GRANT PROGRAM UNDER THE CALIFORNIA CLEAN WATER, CLEAN AIR, SAFE NEIGHBORHOOD PARKS AND COASTAL PROTECTION BOND ACT OF 2002 (PROP 40)

2. AUTHORIZE THE PARKS, RECREATION AND COMMUNITY SERVICES DIRECTOR OR DESIGNEE TO EXECUTE AND SUBMIT ALL DOCUMENTS NECESSARY FOR THE PURPOSE OF SECURING GRANT FUNDS AND TO IMPLEMENT AND CARRY OUT THE PURPOSE SPECIFIED IN THE APPLICATIONS AND THE PROJECT(S), ALL SUBJECT TO PRIOR APPROVAL AS TO FORM BY THE CITY ATTORNEY'S OFFICE

(1-Q) RESOLUTION NO. 2003-358 - APPROVING THE SUMMARY VACATION OF THE WEST 10 FEET OF N. VAN NESS AVENUE ADJACENT TO LOT 211 OF TRACT NO. 2955, WEST SIDE OF N. VAN NESS BETWEEN W. ALLUVIAL AND W. LOMA LINDA DRIVE, AT 7471 N. VAN NESS BOULEVARD

(1-R) RESOLUTION NO. 2003-359 - ORDERING THE SUMMARY VACATION OF PORTIONS OF WATER MAIN EASEMENTS AT THE NORTHEAST CORNER OF W. GRIFFITH WAY AND N. WEST AVENUE TO ACCOMMODATE THE RECONSTRUCTION OF A PORTION OF A SHOPPING CENTER

(1-S) RESOLUTION NO. 2003-360 - INTENT TO VACATE THE PALM-SAFFORD ALLEY BETWEEN FRANKLIN AND "H" STREETS AND SETTING THE PUBLIC HEARING FOR DECEMBER 9, 2003, AT 10:00 A.M.

(1-T) APPROVE THE PURCHASE OF A STREET EASEMENT VALUED AT \$16,895 FROM THE COMMON AREA OF THE STONEBRIDGE DEVELOPMENT AT THE SOUTHEAST CORNER OF HERNDON AND MARKS AVENUE, AND AUTHORIZE THE ASSISTANT PUBLIC WORKS DIRECTOR TO ACCEPT THE DEED OF EASEMENT AND EXECUTE ALL DOCUMENTS NECESSARY TO COMPLETE THE TRANSACTION

(1-U) RESOLUTION NO. 2003-361 - 47TH AMENDMENT TO AAR 2003-209 TO RE-BUDGET CAPITAL FUNDS IN THE AMOUNT OF \$130,000 FOR TOWER DISTRICT PARKING AND BEAUTIFICATION BASED ON THE CARRYOVER BALANCES FROM FISCAL YEAR 2003

(1-V) APPROVE CONTRACT CHANGE ORDER NO. 12 IN THE AMOUNT OF \$290,491 FOR EQUIPMENT PURCHASES (INFRASTRUCTURE) FOR PHASE II WORK OF THE CITY'S INTELLIGENT TRANSPORTATION SYSTEM (ITS) (TRAFFIC SIGNAL SYNCHRONIZATION SYSTEM)

(1-W) RESOLUTION NO. 2003-362 - APPROVING THE APPLICATION FOR AND ACCEPTANCE OF 2004 CALTRANS LOCAL ASSISTANCE PROGRAM - BICYCLE TRANSPORTATION ACCOUNT GRANT FUNDS FOR THE FIRST STREET CORRIDOR PROJECT, AND AUTHORIZE EXECUTION OF PROGRAM DOCUMENTS

1, RESOLUTION NO. 2003-363 - APPROVING THE APPLICATION FOR AND ACCEPTANCE OF 2004 CALTRANS LOCAL ASSISTANCE PROGRAM - BICYCLE TRANSPORTATION ACCOUNT GRANT FUNDS FOR THE ASHLAN, PALM, CHURCH, WEST AVENUE PROJECT, AND AUTHORIZE EXECUTION OF PROGRAM DOCUMENTS

(1-X) RESOLUTION NO. 2003-364 - APPROVING APPLICATION FOR AND ACCEPTANCE OF A GRANT AWARD OF \$341,400 FROM THE STATE OFFICE OF EMERGENCY SERVICES (OES), THROUGH THE COUNTY OF FRESNO, UNDER THE STATE HOMELAND SECURITY GRANT PROGRAM 03 PART II-CRITICAL INFRASTRUCTURE PROTECTION, AND AUTHORIZING EXECUTION OF REQUIRED DOCUMENTS

1. RESOLUTION NO 2003-365 - 30TH AMENDMENT TO AAR 2003-209 APPROPRIATING \$341,400 TO THE FIRE DEPARTMENT FOR THE HOMELAND SECURITY GRANT

(1-Y) RESOLUTION NO. 2003-366 - 46TH AMENDMENT TO AAR 2003-209 APPROPRIATING \$190,700 IN GRANT FUNDS FROM THE CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD (CIWMB) FOR THE USED OIL BLOCK GRANT AND DEPARTMENT OF CONSERVATION BEVERAGE CONTAINER GRANT PROGRAMS

Councilmember Calhoun commended staff on the 56% increase in the recovery rate.

(1-AA) APPROVE APPOINTMENTS OF FRANK FRANCO, VERNON CROWDER, OCTAVIA DIENER, FLORENCE DUNN, EUGENE KRUM, JANET RYAN, NED DOFFONEY, FARID ASSEMI, WILLIE "BUD" MOORE, RON STERLING, BLONG XIONG AND LEE SCHULTZ TO THE PUBLIC SAFETY COMMISSION

On motion of Acting President Castillo, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled **CONSENT CALENDAR** hereby adopted, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

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CONTESTED CONSENT CALENDAR ITEMS:

(1-BB) APPROVE THE NEGOTIATED AGREEMENT BETWEEN THE CITY OF FRESNO AND SMG FOR THE OPERATION AND MARKETING OF THE CONVENTION CENTER FACILITIES

Assistant City Manager Souza clarified in exchange for SMG increasing their capital contributions from \$250,000 to \$350,000 they were also lowering their fees to the amount contained in the Global agreement in exchange for 3-year agreement with the agreed upon 2-year extensions, and advised another change was the language was finalized relative to termination for cause and indemnification and explained.

Councilmember Duncan thanked staff and SMG for the contract presented, stated it was time to move forward and get to work, and made a motion to approve the negotiated agreement, which was seconded and acted upon after discussion.

Mr. Souza responded at length to questions of Acting President Castillo relative to benchmarks for success, increase in number of rooms and how this contract applies to that percentage, performance measures, if the City had the option to choose benchmarks yearly, grounds for termination, performance measures and reimbursement for non-performance, if the \$350,000 contribution was specifically earmarked, and if the \$400,000 that was going to be freed up for Convention Center capital improvements was still part of the package.

City Attorney Montoy asked Council not to rely on the agreement that went out the packet as it had been refined and advised a new agreement with the corrections verbalized by Mr. Souza would be submitted. President Boyajian thanked the two Council committees for all the time and work they put into the issue.

On motion of Councilmember Duncan, seconded by Councilmember Sterling, duly carried, RESOLVED, a contract hereby awarded to SMG for the operation and marketing of the Convention Center facilities for the period January 1, 2004, through December 31, 2006, with the option for two one-year extensions, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

(1-CC) CONSIDER APPROVAL OF SUB-RECIPIENT AGREEMENT WITH THE HOUSING AUTHORITY AWARDED \$400,000 OF THE CITY'S HOME FUNDS TO THE HOUSING AUTHORITY TO PROVIDE UP TO 30 RENTAL HOUSING IMPROVEMENT UNITS **-and-**

(1-D) CONSIDER APPROVAL OF AN AMENDMENT TO THE SINGLE FAMILY MODERATE AND MAJOR REHABILITATION SUBRECIPIENT AGREEMENT WITH THE HOUSING AUTHORITY AWARDED AN ADDITIONAL \$500,000 OF THE CITY'S HOME FUNDS

Upon question of Councilmember Dages, an unidentified staff member confirmed HOME funds were not being jeopardized.

On motion of Councilmember Dages, seconded by Councilmember Duncan, duly carried, RESOLVED, relative to Item 1-CC, the City Manager authorized to execute the Subrecipient Agreement for a new Rental Housing Improvement Program, subject to approval as to form by the City Attorney; and relative to Item 1-DD, the City Manager authorized to execute an amendment to the \$1.4 million Housing Authority's Moderate and Major Single Family/Owner Occupied Rehabilitation Program Subrecipient Agreement for an additional \$500,000 of the City's HOME Program Funds, subject to approval as to form by the City Attorney, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

(1-N) RESOLUTION - 414TH AMENDMENT TO MFS RES. 80-420 ADDING AND REVISING FEES AT CAMP FRESNO

Councilmember Duncan requested the matter be laid over to at least the next meeting to allow staff to work with the vendor and report back with an analysis and justification of the proposed increases, an explanation of the fees, and to notify the people who use the facilities year after year, with Management Analyst Milavich responding.

On motion of Councilmember Duncan, seconded by Councilmember Dages, duly carried, RESOLVED, Item 1-N laid over to December 2, 2003, to allow staff to report back with explanations of the fees and justification for the increases, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

(1-L) AWARD A CONTRACT TO BILL MARVIN ELECTRIC, INC. OF FRESNO TO INSTALL FLASHING BEACONS FOR SCHOOL CROSSING AT MCKINLEY/SAN PABLO AVENUES

Acting President Castillo advised he was contemplating doing a similar type project in his district and stated he wished he had known this was being bid so he could have included his project to possibly receive a better price and presented questions relative to what could be done and why the prices were so reasonable, with Assistant Public Works Director responding. Acting President Castillo made a motion to award the contract as recommended. Councilmember Calhoun stated he was concerned with the request as a process was in place **(3 - 0)**, whereupon Acting President Castillo clarified he was going to pay for his project from his Council infrastructure budget. President Boyajian spoke in support of the issue citing the safety aspect. Mr. Kirn stated staff would put together ranking criteria similar to that for traffic signals.

On motion of Acting President Castillo, seconded by President Boyajian, duly carried, RESOLVED, a contract hereby awarded to Bill Marvin Electric, Inc., of Fresno in the amount of \$40,664 to install flashing beacons for the school crossing at McKinley and San Pablo Avenues, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

(10:00 A.M.) HEARING ON REZONE APPLICATION NO. R-03-26 AND ENVIRONMENTAL FINDINGS, FILED BY SCOTT VINCENT ON BEHALF OF THOMPSON-FOGG PARTNERSHIP, PROPERTY LOCATED ON THE SOUTH SIDE OF W. SHIELDS BETWEEN N. BRAWLEY AND N. KNOLL AVENUES (DISTRICT 3)

142-180

11/18/03

1. CONSIDER AND ADOPT MITIGATED NEGATIVE DECLARATION FOR ENVIRONMENTAL ASSESSMENT NO. R-03-26/C-03-021

2. BILL NO. B-98 - ORDINANCE NO. 2003-98 - AMENDING THE OFFICIAL ZONE MAP TO REZONE THE SUBJECT PROPERTY FROM AE-5/UGM TO R-2/UGM/cz

President Boyajian announced the time had arrived to consider the issue and opened the hearing. Planner Sanchez reviewed the issue as contained in the staff report as submitted and recommended approval.

Speaking to the issue were: Scott Vincent, representing the applicant, who spoke to the project stating it was an excellent quality in-fill project, using a map to illustrate the site plan; and Barbara Hunt, 2475 S. Walnut, who spoke to the council district boundary.

Upon call, no one else wished to be heard and President Boyajian closed the hearing.

Councilmember Dages commented on, and expressed concern with, the concentration of apartment complexes in one area, the number of complexes that are allowed to be built in certain geographical areas, and the lack of important features, i.e., garages, and elaborated, with Mr. Sanchez responding. Upon question of Councilmember Duncan, Planning & Development Director Yovino confirmed the housing element of the general plan addressed the different variables for apartment construction. Councilmember Calhoun stated Councilmember Dages' concerns were legitimate and he also had significant concerns with the number of apartment complexes being allowed. President Boyajian stated a plan for the west area was needed and spoke to the issue at length.

On motion of Councilmember Sterling, seconded by Acting President Castillo, duly carried, **RESOLVED**, the environmental finding of a Mitigated Negative Declaration for Environmental Assessment No. R-03-26/C-03-21 issued on October 16, 2003, hereby approved, the above entitled Bill No. B-98 rezoning the subject property subject to the conditions listed in the staff report adopted as Ordinance No. 2003-98, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

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(10:30 A.M.) DISCUSSION AND ACTION REGARDING A PLAN BY PACIFIC GAS & ELECTRIC (PG&E) TO IMPLEMENT A 33% RATE INCREASE ON GAS - COUNCILMEMBERS CALHOUN AND DAGES

1. RESOLUTION - PROCLAIMING ITS CONCERN ABOUT THE DETRIMENTAL IMPACTS TO THE CITIZENS OF FRESNO THAT COULD RESULT FROM A SEVERE INCREASE IN RESIDENTIAL GAS PRICES CHARGED BY PG&E IF APPROVED BY THE CALIFORNIA PUBLIC UTILITIES COMMISSION

Councilmember Calhoun noted he submitted an amended resolution to Council and upon request City Clerk Klisch read the amended resolution into the record, stated the adjustments related primarily to the Public Utilities Commission, and along with Councilmember Dages spoke to the issue and in opposition to the increase citing the adverse affects it would have on seniors and low income families, and made a motion and second to adopt the proposed resolution.

Shannon Mathis and Al Galvez from PG&E spoke to the process of how PG&E purchases gas and passes the cost on to customers, PG&E's campaign to educate customers on conservation, this being a national issue and one of supply and demand, PG&E's sensitivity to concerns, the lack of a rate structure **(4 - 0)**, and the City's option of rebating franchise fees back to customers.

Speaking in opposition to the increase were: Barbara Hunt, 2475 S. Walnut, and Gloria Torrez.

Ms. Mathis and Finance Director/Controllor Quinto responded to questions of Acting President Castillo relative to who set the price of natural that Council could appeal to, if there was an appeal process, if other cities have asked for reductions, if the PUC had a say in the price increase, if PG&E makes a profit with the increase, programs available for the poor and working poor, how customers are educated

on the programs, how a franchise fee rebate would work, amount of revenues the 33% increase could generate for the city, and whom to contact about the rebating the franchise fee. City Attorney Montoy suggested Council proceed very cautiously relative to eliminating any franchise fee that PG&E pays stating it was one of the lowest, if not the lowest, in the state, and further recommended Council work with staff to see how the

142-181

11/18/03

City can assist its citizens versus assisting PG&E directly if Council wants to address the impact on citizens and if PG&E refuses to abide by this resolution. Acting President Castillo stated PG&E was being chastised over something they had no control over, noted a couple of years ago (with the last increase) Council didn't have the intestinal fortitude to look at business tax loopholes that the City could have benefitted from and was afraid to go after the Chevrans, the PG&Es, the SBCs, etc., and elaborated and expressed his concern, and stressed if these type of issues were going to be brought forth they needed to be genuine and have some "meat" to them.

Councilmember Duncan presented questions relative to whether the increase was unique to PG&E, if PG&E rates would drop if supply caught up later and gas costs dropped, how frequently PG&E makes adjustments based on what they actually pay, what causes the up and down issue of supply in the marketplace, if new sources needed to be explored to increase supply, PG&E not benefitting from rate increases, and if any increase in franchise fees the City receives comes from PG&E, with Ms. Mathis responding throughout. Councilmember Duncan acknowledged no one supports a 33% increase, everyone was concerned about the impact on seniors and those with fixed incomes, he felt the resolution had good intentions but was misdirected as it was directed at the one organization that had the least amount to say in the whole process, stated the resolution should be directed at Congress and those who interfere and stop natural gas and oil exploration, clarified the problem was driven by supply and there was now a shortage, stated if apartment owners are going to be asked to absorb some of the costs it would be reasonable to ask PG&E to do so as well, noted the intent of resolution was proper but he did not feel targeting PG&E and asking them to "eat it" would necessarily provide any action and was missing the target, and stated he would be willing to get information on PG&E's programs to assist consumers and put them in touch with PG&E.

Councilmember Perea concurred no one supported an increase, he also wanted to insure whatever action is taken is taken legally and directed to the proper agency -- the federal government -- who can actually make a change, and made a motion to table the issue in the hopes of working with staff to keep the issue alive and get more information as to what authority Council has and what exactly Council can do.

On motion of Councilmember Perea, seconded by Acting President Castillo, duly carried, RESOLVED, the matter hereby tabled to get more information, by the following vote:

Ayes : Castillo, Duncan, Perea, Sterling
Noes : Calhoun, Dages, Boyajian
Absent : None

Councilmember Calhoun stated he would be bringing the matter back as soon as possible.

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(11:00 A.M.) CLOSED SESSION:

(A) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - CASE NAMES:

1. CITY OF FRESNO (COF) V. SHELL OIL, ET AL.
2. HOWARD JARVIS TAXPAYERS' ASSOCIATION, ET AL. V. COF, SUPERIOR COURT CASE NO. 03- CE CG 00071
3. MAI THAO, ET AL. V. COF

(B) CONFERENCE WITH LABOR NEGOTIATOR - EMPLOYEE ORGANIZATIONS:

1. INTERNATIONAL ASSOCIATION OF FIREFIGHTERS (IAFF MANAGEMENT)
2. FRESNO POLICE OFFICERS ASSOCIATION (FPOA NON-SUPERVISORY)
3. INTERNATIONAL ASSOCIATION OF FIREFIGHTERS (IAFF NON-MANAGEMENT)

The City Council met in closed session in Room 2125 at the hour of 11:31 a.m. and adjourned for lunch thereafter.

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LUNCH RECESS - 12:55 P.M. - 2:12 P.M.

(2:00 P.M.) JOINT WORKSHOP OF THE MAYOR, CITY COUNCIL, PLANNING COMMISSION, HOUSING AND COMMUNITY DEVELOPMENT COMMISSION, AND THE HISTORIC PRESERVATION COMMISSION (NEW EXHIBIT HALL - ROOM 2)

- 1. RECEIVE GENERAL PLAN, HOUSING PROGRAM, AND HISTORIC PRESERVATION ANNUAL REPORTS**
- 2. ACCEPT MODIFIED LANGUAGE TO THE GENERAL PLAN HOUSING ELEMENT**
- 3. OPEN DISCUSSION BETWEEN MAYOR, COUNCIL AND COMMISSIONERS**

142-182

11/18/03

(1-a) President Boyajian called the joint workshop to order at 2:12 p.m.

Present were Mayor Autry, President Boyajian, Acting President Castillo, Councilmembers Calhoun, Dages, Duncan, Perea and Sterling; City Manager Hobbs, City Attorney Montoy and Planning & Development Director Yovino; Planning Commissioners DiBuduo, Vang, Brown, Kissler and Harrington; HCDC Members Morris, Powell, Milhan and Chun; Historic Preservation Commissioners Vincent, Willey, Enns-Rempel, Schumacher, Lewis and Maloy; and related staff.

President Boyajian welcomed everyone and advised of the actions Council would be taking this date. Mayor Autry gave opening comments stating this was a time of moving the city forward and a time of great satisfaction with the adoption of the general plan and elaborated. President Boyajian, on behalf of the City Council, thanked all the commissioners for serving the city and for all their time and work in dealing with issues facing the city.

Each member of the three commissions introduced themselves, advised how long they have served on their respective commissions, and spoke to their concepts, areas of importance, and/or what they would like to see accomplished.

Planning and Development Director Yovino introduced his staff in attendance, advised of the purpose of the workshop, and gave a summary of the 2025 General Plan Implementation **(2 -a)** and Housing Element annual reports.

Commissioner DiBuduo spoke briefly to the need for more communication between the City Council and the commissions, and Commissioner Morris stated she would like to meet more with Council members and hear about their concepts.

Councilmember Duncan stated his greatest accomplishment was the adoption of the general plan last year and advised the future integrity of the plan was very important to him and he would be stingy with any changes; and noted another important area was historic preservation and spoke to the city's spectacular architecture and resources and advised his concern was the neglect of buildings. Councilmember Dages stated preservation of Fresno's resources were of utmost importance to him adding Huntington Boulevard was a good example of preservation, and relative to the general plan advised he liked the majority of it but his main concern was the concentration of apartment complexes in certain areas, their aesthetics/facade, and lack of important features stating complexes in his district were not like those in north Fresno and he wanted to proper number of units and proper facades, garages and security gates. President Boyajian advised his areas of concern were (1) fringe development stating inclusionary zoning, impact fees, and environmental impacts reports were necessary, (2) vacant buildings stating owners needed to be responsible, and (3) the need to find revenue streams to take care of the city's needs, i.e. infrastructure.

Acting President Castillo thanked the commissioners for all their work; noted there was a feeling of a different standard in construction south of Shaw, stated densities did not have to be increased on each project, there was an expectation that projects would have better amenities in north Fresno, and a mechanism needed to be in place to insure quality complexes are built that will last over time; advised abandoned buildings were a critical problem in his district; and stated although the fact that the general plan directed growth inward the planning commission needed to also consider what is best for certain neighborhoods and explained.

Councilmember Calhoun clarified he supported the general plan and housing element but felt the plan needed to be built out and implemented in a balanced and orderly fashion, spoke to the fast growth in northwest Fresno and to the large number of apartment units that have been approved, specifically in the Bullard Loop area, stressed he was not willing to continue the unbalanced, lop-sided, loading up of the Bullard Loop area stating just because much of the available multi-family planned land was in Districts 5 and 2 did not mean the city had to disproportionately build the land out all at once and in concentrated areas, and stated the hundreds of units that have already been approved in the Bullard Plan area needed to build out and succeed but the area also needed to be given a chance to catch; and relative historic preservation spoke to the problem of the Craycroft House mentioned in the annual report and challenged the Historic Preservation

Commission to bring appropriate buildings forward with some solutions on what could be done about them, particularly the Craycroft House adding he was willing to everything he could to help.

Councilmember Sterling spoke briefly to her tenure and experience on the planning commission and stated this meeting was historic; spoke to some major events in her district -- Fresno & Martin Streets, the 180 Exchange, the Veterans Home at Marks & California, Collins & Mariposa Streets, the IRS building, and the rehab/remodel of buildings in the Lowell-Jefferson area -- that she has attended this year stating they were significant to where the city was going and were also helping with the preservation and mixing of new and old together and elaborated, and stated the artery of light was again flowing into her district and there was still hope and people were seeing they can venture forward.

Councilmember Perea stated his concerns were vacant buildings and making sure infill housing fits in with neighborhoods **(3-a)**.

142-183

11/18/03

Brief discussion ensued. Commissioner Vincent stated the joint bodies needed to continue dialog and work together to solve the city's problems. Commissioner DiBuduo stated the planning commission does it best to make sure projects meet all caveats and fits, relative to apartments stated the commission needed legal guidelines, and spoke briefly to the need to make come changes with infill projects and put a bite in code enforcement. City Manager Hobbs advised staff has tentatively scheduled a workshop on code enforcement for December 9th, and City Attorney Montoy added a workshop was needed on affordable and multi-family housing. Commissioner DiBuduo noted the planning commission does not prepare an annual report, and advised their frustration was understanding the relationship with Caltrans in projects that come before them and advised hopefully a workshop would be held shortly with Caltrans, with Mr. Yovino responding to the preparation of an annual report.

Barbara Hunt, 2475 S. Walnut, spoke to boundary and jurisdictional issues.

On motion of Acting President Castillo, seconded by Councilmember Sterling, duly carried, RESOLVED, the annual 2025 General Plan Implementation, Housing Element, and Historic Preservation reports hereby accepted, and the State recommended Housing Element modifications accepted, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

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RECESS - 4:04 P.M. - 4:45 P.M.

(11:00 A.M.) CLOSED SESSION - CONTINUED:

(A) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - CASE NAMES:

1. CITY OF FRESNO (COF) V. SHELL OIL, ET AL.
2. HOWARD JARVIS TAXPAYERS' ASSOCIATION, ET AL. V. COF, SUPERIOR COURT CASE NO. 03- CE CG 00071
3. MAI THAO, ET AL. V. COF

(B) CONFERENCE WITH LABOR NEGOTIATOR - EMPLOYEE ORGANIZATIONS:

1. INTERNATIONAL ASSOCIATION OF FIREFIGHTERS (IAFF MANAGEMENT)
2. FRESNO POLICE OFFICERS ASSOCIATION (FPOA NON-SUPERVISORY)
3. INTERNATIONAL ASSOCIATION OF FIREFIGHTERS (IAFF NON-MANAGEMENT)

The City Council met in closed session in Room 2125 at the hour of 4:45 p.m. for continued consideration of the remaining issues and reconvened in regular open session at 5:44 p.m.

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(2-A) RESOLUTION NO. 2003-367 - 45TH AMENDMENT TO AAR 2003-209 APPROPRIATING \$2,377,200 TO THE POLICE DEPARTMENT FOR THE NEIGHBORHOOD TRAFFIC UNIT

Chief Dyer reviewed the issue as contained in the staff report as submitted and advised this would not impact the general fund and staffing would be adjusted accordingly if revenues do not come in as projected.

Barbara Hunt, 2475 S. Walnut, spoke in support.

Councilmember Dages expressed concerns with (1) the citations that will be issued to people coming downtown for events especially after the city invested a lot of money in the downtown area to attract people, and (2) with the presence of motor officers at the Kings Canyon cruising stating that would take away from the family-oriented event; stated it seemed like the budget was being balanced on the backs of citations; and questioned and commented on the 37 positions and the need to be business-friendly and chasing visitors away, with Chief Dyer and Lt. Hall **(5 - 0)** responding to questions, concerns and the direction that will be given to the traffic unit. Councilmember Dages stated staff's response convinced him and made a motion to approve staff's recommendation, which motion was seconded and later acted upon.

142-184

11/18/03

Discussion ensued with Chief Dyer responding to questions and/or comments of Councilmembers Duncan and Perea and President Boyajian relative to number of patrol positions, how the rest of the positions would be filled, the success of the DUI checkpoint program, support for additional police presence, commendation to the department on the substantial reduction in traffic fatalities, if the 6 areas of concentration were set in stone, need to address graffiti and prostitution problems in and have more police presence in District 7 and request to include those issues into the general parameters, and traffic issues in District 1 and lack of police presence. Acting President Castillo and Councilmember Sterling spoke briefly in support of the issue, to the need to support these proposals if more police presence is wanted in certain districts, and the success of police presence in District 3 and the good relationship between the police department and District 3 residents.

On motion of Councilmember Dages, seconded by Councilmember Duncan, duly carried, **RESOLVED**, the above entitled Resolution No. 2003-367 hereby adopted, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

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(3-A) STATUS REPORT ON THE SOUTHWEST FIRE PROCESS-IMPROVEMENT TASK FORCE RECOMMENDATIONS - COUNCILMEMBER STERLING

Councilmember Sterling stated the task force was still alive and well and advised since the fire in January she has met almost monthly with the task force, the City, the EPA and the health department to insure all concerns are being met.

City Internal Auditor Coury gave a status report on the issue and what has been implemented to date, and noted the proposed ordinances in Council's packets were being submitted for Council review and input at this time and for later action in December. Councilmember Sterling added the citizens originally appointed to the task force were still involved and giving input in this very serious situation and thanked public safety staff and the citizens for all their work. There was no further discussion.

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(3-B) DIRECT STAFF TO REMOVE THE MAGNOLIA TREES IN FRONT OF 4937 E. TOWNSEND AND 4949 E. HEATON WHICH ARE CAUSING PROBLEMS FOR THE PROPERTY OWNERS

Laid over to December 2, 2003, at the direction of Councilmember Dages.

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(5:00 P.M.) JOINT MEETING WITH THE REDEVELOPMENT AGENCY

The City Council met in joint session with the Redevelopment Agency at the hour of 6:22 p.m.

APPROVE AGENCY MINUTES OF NOVEMBER 4, 2003

On motion of Councilmember Dages, seconded by Councilmember Sterling, duly carried, RESOLVED, the Agency minutes of November 4, 2003, approved as submitted.

(“A”) AWARD A CONTRACT TO BILL MARVIN ELECTRIC, INC., OF FRESNO, FOR THE INSTALLATION OF STREETLIGHTS AT THE SOUTHEAST CORNER OF ELM AND JENSEN AVENUES (AGENCY ACTION)

Redevelopment Administrator Murphey briefly reviewed the issue as contained in the staff report as submitted and recommended approval.

Barbara Hunt, 2475 S Walnut, spoke in support.

Councilmember Sterling spoke briefly in support of the issue and made a motion to award the contract.

142-185

11/18/03

On motion of Councilmember Sterling, seconded by Acting President Castillo, duly carried, RESOLVED, a contract in the amount of \$10,900 hereby awarded to Bill Marvin Electric, Inc, of Fresno, for the installation of streetlights at the corner of Elm and Jensen Avenues, by the following vote:

Ayes	:	Boyajian, Calhoun, Castillo, Dages, Perea, Sterling, Duncan
Noes	:	None
Absent	:	None

(“B”) AWARD A CONTRACT TO AMERICAN PAVING COMPANY OF FRESNO FOR THE FRESNO UPTOWN ARTS DISTRICT BEAUTIFICATION PROJECT, PHASE I (AGENCY ACTION)

Redevelopment Administrator reviewed the issue as contained in the staff report as submitted, spoke to the appeal that was filed and the hearing panel's findings that American Paving's bid was responsive and that the Agency could rightfully award the project to American Paving, noted the hearing panel also suggested the project be rebid but stated because of the panel's finding that American Paving was responsive staff was recommending the Agency proceed to award the contract to American Paving.

Speaking to the issue were: Barbara Hunt, 2475 S. Walnut, support for staff's recommendation; and John Sloan, President, American Paving, 315 N. Thorne, who requested the Agency not award the contract bid this date stating he felt the award was premature and reckless citing the conclusions drawn by the appeal hearing board, and advised there were a number of complex issues involved which will take time to analyze and elaborated, and requested staff be directed to revisit the findings of the panel of industry experts to insure the accuracy of their recommendations. Upon question of Chair Duncan, Mr. Sloan clarified he was requesting the Agency not award the bid to them because it was clear in his opinion there were problems with the project specifications.

Agency Director Fitzpatrick responded to Mr. Sloan's request stating the bid specifications were very clear, advised American Paving had the option to pull out if the Agency awarded the bid but they would lose their \$100,000 bond, and concluded stating staff had been working on this project for several years, very good bids were received and the specifications were clear, and recommended the bid be awarded. Mr. Sloan stated this was a technical issue which gets into a sole source issue on structural soil which was new to them and explained, and reiterated the industry experts' recommendation to reject the bid was a good call. Mr. Fitzpatrick responded and reiterated the bid specifications were clear, advised the other bidder knew about it and bid on it, and stated there was now buyer's remorse. Ms. Murphey read into the record a section of the specifications entitled "Structural Soil" in the table of contents and the specs defining exactly what structural soil was. Councilmember Perea questioned if staff was confident the project would be done correctly and if it would be something the arts community and the citizens would be proud of, with Ms. Murphey responding affirmatively. Councilmember Perea made a motion to approve staff's recommendation. Councilmember Calhoun seconded the motion, spoke to his support for the uptown project, concurred with Mr. Fitzpatrick that this was buyers' remorse, and stated American Paving bid the project and they now had to stand by it.

Upon question of Councilmember Dages, City Attorney Montoy advised the bid could not be awarded to the second lowest bidder and explained the process and the competitive bidding requirement, clarified the Agency was required to award the bid to American Paving should they decide to award the bid at all, noted there was no appeal by American Paving and spoke to the other appeal that was filed and

the hearing panel's finding, **(6 - 0)** and clarified this was not a unique situation and was a problem of American Paving bidding too low.

Discussion ensued, questions were presented by Councilmembers Dages and Sterling, and/or staff clarified various issues relative to whether a quality project would or would not be received if awarded as recommended, American Paving losing their bond if they walk away, options available should the Agency decide not to award the bid to American Paving, American Paving neglecting to pull their bid during the allowable five days following receipt of the bids, if American Paving was saying the specs were not explained clearly, if American Paving submitted their bid without consulting with their proper people, Ms. Montoy clarifying the problem was with American Paving's subcontractor and not with the city's specs, and if American Paving could produce the work if awarded the contract. Councilmember Sterling stated she was not comfortable with this situation, noted this project was in her district and she would ultimately be held responsible for it, and concurred American Paving should have bid correctly but she could not support staff's recommendation.

Discussion continued with Mr. Sloan and Ms. Montoy responding to questions of President Boyajian and/or clarifying issues relative to the panel's findings, if American Paving's subcontractor, Logan, was unable to produce/perform, what exactly the problem was with Logan and if they changed their position, if American Paving could perform the project according to the specs, the intent of the panel's suggestion to reject the bids was to give American Paving relief, Mr. Sloan clarifying they also wanted additional time to insure the panel's recommendations were accurate, and options available to the Agency. President Boyajian stated this was a tough issue as American Paving

142-186

11/18/03

could comply but with a possible loss. Acting President Castillo stated American Paving had an obligation to the city and the subcontractor needed to learn their lesson. Chair Duncan stated he also felt uncomfortable with the situation, noted a good company might be forced to lose money, and added a one month delay would not change the world.

On motion of Councilmember Perea, seconded by Councilmember Calhoun, duly carried, RESOLVED, a contract in the amount of \$1,097,144.80 hereby awarded to American Paving Company for the Fresno Uptown Arts District Beautification Project, Phase I, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Perea
Noes	:	Boyajian, Sterling, Duncan
Absent	:	None

(“C”) DISCUSSION AND ACTION ON THE ARMENIAN EVANGELICAL CHURCH LOCATED AT 546 “N” STREET

1. RECEIPT OF, AND PUBLIC HEARING ON, THE REPORT FROM THE BLUE RIBBON COMMISSION (BRC) REGARDING THE ARMENIAN EVANGELICAL CHURCH, AND CONSIDER AND GIVE DIRECTION ON THE OPTIONS AND RECOMMENDATIONS PRESENTED BY THE BRC (COUNCIL AND AGENCY ACTION)

2. CONSIDER BID OF LEE CRIPPEN EXCAVATION OF FRESNO TO PROVIDE CONTRACT SERVICES CONSISTENT WITH COUNCIL/AGENCY DIRECTION ON THE OPTIONS PRESENTED BY THE BRC TO EITHER (A) REJECT ALL BIDS, OR (B) AWARD A CONTRACT TO LEE CRIPPEN EXCAVATION FOR THE BASE BID WITH ALTERNATE #1 WHICH INCLUDES SAVING THE FACADE BY PALLETIZATION FOR AGENCY STORAGE (AGENCY ACTION)

Chair Duncan announced the time had arrived to consider the issue and opened the hearing. Agency Director Fitzpatrick reviewed the issue as contained in the staff report as submitted at length and summarized the Blue Ribbon Commission's (BRC) report and recommendations. Chair Duncan recognized and commended the BRC on their report and for all their time and work on the issue.

BRC Chair Doug Vagim and Members John Moffatt and David Yancy spoke further to the issue, their findings, and their recommendations to relocate/ move the entire front facade in one piece (and store it in a secure location for future use), or, if that is not feasible, to dismantle the individual bricks and other elements of the facade and preserve (by palletizing) for future use.

Speaking in support of preserving/leaving the church in place/fitting-designing the church into the project, and/or expressing concerns with the BRC report were: Midge Barrett, Heritage Fresno, 560 E. Portland; Christie Marks, Interior Designer, 625 E. Terrace; Patricia Giddings, Developer, 2727 W. Bluff **(7 - 0)**; Paul Winter, P.O. Box 4445; Jeanette Jurkovich, 1130 W. Roberts; Gary Malasian, 2727 W. Bluff #128; and Richard Harriman, 4321 N. West, Ste. 106, who also submitted written material into the record, a copy of which is on file in the office of the City Clerk.

Speaking in support of the BRC's recommendation were: Lowell Carruth, Attorney for Gunner and Andros, 5 River Park Place E., who also submitted a letter from James Ardaiz, Presiding Justice, Fifth District Court of Appeal, a copy of which is on file in the office of the City Clerk; and John Hutson, 3688 N. Delno. Rev. Dr. Leslie Hyder, Westminster Presbyterian Church, 5223 W. Byrd, spoke in support of preserving the church at the site. Continued speakers were: Robert Sleppy, State Department of General Services, who spoke to the proposed courthouse project and land clearance and conveyance; Kevin Mathis, 6550 N. Maple, who spoke to the option of palletizing the bricks; Alma Margosian, 3619 N. Orchard, who spoke in support of preserving the facade; and Barbara Hunt 2475 S. Walnut, Mabelle Selland, 1483 E. Portals, and Charles Barrett, 560 E. Portland, who all spoke in support of preserving the church at the site, with Ms. Selland submitting a petition containing 200 signatures in support of preserving the church at the site, on file in the office of the City Clerk.

Upon call, no one else wished to be heard and Chair Duncan closed the public hearing.

City Attorney Montoy spoke briefly to the background of the issue and the lawsuit that was filed, clarified three key points of the settlement agreement including the Council resolution attached as an exhibit, and read into the record Paragraph 6 of the settlement agreement and Paragraph 10 of the resolution relative to the process and Council's options.

Mr. Fitzpatrick thanked the BRC and Mr. Carruth and Mr. Sleppy for their input, thanked staff for all their work and joint recommendation, and advised, based on the record, staff's work, and presentations by the construction industry, staff was recommending the Agency accept recommendation #2 of the BRC for the dismantling of the facade and palletizing it for storage and future use and further award a bid to the low bidder for Alternative #1 which was consistent with the settlement agreement and Council resolution.

142-187

11/18/03

(8 - 0) President Boyajian noted everyone keeps talking about a "church" but stated there was no church as there was no congregation, chapel or minister and all there was was a building which has history and artifacts; stated the whole downtown area could be considered Armenian Town and explained; pointed out a process was followed and the Historic Preservation Commission determined the building was not a historic building; stated although this building had a lot memories for some he felt at this time it was an old blighted building and spoke briefly to the other great buildings downtown that are blighted; reiterated the issue went through a review process, a lawsuit was filed, a settlement agreement was reached, the BRC made its recommendation; stated he did not want to lose the 5th appellate courthouse project and jobs and emphasized the Council/Agency was trying to move Fresno forward and elaborated; and thanked the BRC and made a motion accept the report, palletize the facade consistent with BRC recommendation #2 and the settlement agreement, and award the contract to Lee Crippen Excavation, which motion was seconded and later acted upon.

Mr. Fitzpatrick, Planner Yee, Mr. Sleppy and Ms. Montoy responded at length to questions of Acting President Castillo relative to the boundaries of Old Armenian Town, if there were any renderings of the what Old Armenian Town should look like, purpose of the additional space needed by courthouse, security needs and why there was a difference between the federal courthouse and 5th appellate courthouse projects, how the church building would pose a threat to the courthouse project, what type of security the 5th appellate courthouse would have, actual area the courthouse will occupy, if the courthouse plans could be changed to incorporate the church building, and if the BRC report met all the terms of the settlement agreement. Acting President Castillo stated the BRC's recommendation was not what he wanted to see and he wished the church could have been saved.

Councilmember Dages stated Caltrans already divided Old Armenian Town along with old Russian and German Towns; clarified William Saroyan's home was at Ventura and Third Streets and was preserved; presented questions relative to amount the state has invested financially into this project and if prevailing wages would be paid, with Mr. Fitzpatrick responding; advised he was an antique dealer and he would like to see everything preserved but stated this building was not of architectural or historical significance and that was too bad as he would have liked to have seen the building stay where it was; and stated palletizing the facade was about the only real choice and he would support the motion because at least some of the structure would be saved.

Councilmember Perea thanked the BRC for all their time and effort; advised he could not support the motion because he would have preferred to see an attempt made to save the building and incorporate it into the project adding the city was missing an opportunity to marry the past the present; and relative to the process spoke to and submitted into the record an e-mail from a staff member to 14 different people outlining an action plan and speaking to the need to control the process and comments at this hearing stating it made him feel uneasy and he was unsure of the intent, with Mr. Hobbs responding

Chair Duncan commented on the issue stating the process had been a long one with a lot of input and study; concurred the building was not historic and clarified Council was committed to preserving Fresno's history and heritage; questioned why there was no Armenian

museum citing the great Armenian heritage; and advised he would support the motion and added it was his hope the Armenian community would start raising funds to build this Armenian Town and help to build a museum and heritage center stating Council would help to make room downtown and to create a nice environment.

Acting President Castillo questioned why he did not receive the e-mail referenced by Councilmember Perea. And Mr. Hobbs pointed out the e-mail was over one year old and dated 11/14/02, and there was nothing secretive. Acknowledging that, Acting President Castillo reiterated he was not given a briefing and stated he expected all council members to be treated with the same courtesy and given the same information regardless of their position when briefings are given on items to be voted upon.

Mr. Harriman submitted into the record highlighted portions of the settlement agreement which clearly spelled out the specific Old Armenian Town, a copy of which is on file in the office of the City Clerk.

Councilmember Sterling questioned if there was a money transaction with the settlement agreement, if Ms. Montoy read earlier from the settlement agreement, and if the people appealing this date were the same ones that signed the settlement agreement, with Ms. Montoy responding. Councilmember Sterling noted the court case had been settled, money had been transacted, it was obvious there was a misunderstanding here, stated the facade would be saved and the issue needed to be moved forward; and stated she hoped staff could present a plan to the community if possible.

142-188

11/18/03

On motion of President Boyajian, seconded by Councilmember Calhoun, duly carried, RESOLVED, the City Council thanks the Blue Ribbon Commission (BRC) for their report and recommendations; based on the public record, the BRC report, and the testimony received this date, the facade to be palletized and stored for potential future use within the boundaries of the historic Old Armenian Town (bound by O Street on the east, Broadway on the west, Inyo on the north, and Los Angeles on the south), substantially consistent with the BRC's recommendation #2, the Settlement Agreement between the City of Fresno and Heritage Fresno, and Council Resolution No. 2003-208; and BE IT FURTHER RESOLVED, a contract hereby awarded to Lee Crippen Excavation of Fresno for structure demolition with preservation of the facade by palletization (Bid Alternative #1), by the following vote:

Ayes : Boyajian, Calhoun, Dages, Sterling, Duncan
Noes : Castillo, Perea
Absent : None

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ADJOURNMENT

There being no further business to bring before the joint bodies, the hour of 9:03 p.m. having arrived and hearing no objections, Chair Duncan declared the meeting adjourned.

APPROVED on the ____2nd____ day of ____December____, 2003.

_____/s/_____
Jerry Duncan, Redevelopment Agency Chair

ATTEST: _____/s/_____
Yolanda Salazar, Assistant City Clerk

142-189

11/18/03